

Sen. Michael Noland

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LRB099 07440 JLS 34147 a

1 AMENDMENT TO SENATE BILL 682

2 AMENDMENT NO. _____. Amend Senate Bill 682 by replacing

3 everything after the enacting clause with the following:

4 "Section 5. The Labor and Storage Lien Act is amended by

5 changing Section 1 and adding Section 1.5 as follows:

6 (770 ILCS 45/1) (from Ch. 82, par. 40)

Sec. 1. Every person, firm or corporation who has expended labor, skill or materials upon any chattel, or has furnished storage for said chattel, at the request of its owner, reputed owner, or authorized agent of the owner, or lawful possessor thereof, shall have a lien upon such chattel beginning on the date of the commencement of such expenditure of labor, skill and materials or of such storage for the contract price for all such expenditure of labor, skill or materials, or for all such storage, or in the absence of such contract price, for the reasonable worth of such expenditure of labor, skill and

- 1 materials, or of such storage, for a period of one year from
- 2 and after the completion of such expenditure of labor, skill or
- 3 materials, or of such storage, notwithstanding the fact that
- 4 the possession of such chattel has been surrendered to the
- 5 owner, or lawful possessor thereof. The specific process for
- 6 liens on unclaimed motor vehicles for labor, storage, and
- 7 materials under this Act are set forth in Section 1.5 of this
- 8 Act.
- 9 (Source: Laws 1921, p. 508.)
- 10 (770 ILCS 45/1.5 new)
- 11 Sec. 1.5. Lien foreclosure process.
- 12 (a) As used in this Section:
- "Claimant" means the person or entity furnishing labor or
- materials upon or storage for a motor vehicle.
- "Consent" means authorization by a customer by the means of
- 16 <u>a Signature Consent Form, Electronic Consent Form, or Oral</u>
- 17 <u>Consent Form.</u>
- 18 "Customer" means the person or entity which relinquished
- 19 the vehicle to the claimant for repair or storage.
- 20 "Electronic Consent Form" means an electronic
- 21 authorization between customer and claimant authorizing the
- 22 repairs or storage.
- 23 "Lienholder" means the person or entity listed as such on
- the vehicle certificate of title.
- 25 <u>"Oral Consent Form" means: if the customer's authorization</u>

1 is oral, the claimant shall note, on both the written estimate or firm price quotation and the invoice, the name of the person 2 authorizing the repairs, the date, the time, and the telephone 3 4 number called, if any; any charge for parts of labor in excess 5 of the original estimate must be separately authorized by the

6 customer.

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"Owner" means the person or entity listed on the vehicle 7 8 certificate of title.

"Signature Consent Form" means an authorization form signed by the customer and the claimant authorizing the repairs or storage.

(b) If a vehicle is not redeemed by the customer within 60 days after completion of the requested services or after the date agreed upon by the parties, whichever is later, the claimant may begin to foreclose the mechanic's lien provided hereby by a commercially reasonable public or private sale of the motor vehicle. If no repairs were made, the claimant may foreclose a lien for storage services 30 days after the claimant provided an estimate to the owner or customer, and in any case within 45 days thereafter.

(c) The sale of the vehicle shall occur only after providing notice to the lienholder and owner of the time and place of the sale. The claimant shall request the title records of the vehicle from the Secretary of State at which time the Secretary of State Shall also run a LEADS search to determine if the vehicle was reported stolen. If the Secretary of State

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1	cannot	provide	ownership	information,	the	following	means
2	shall b	e used to	identify t	he owner and l	ienho ⁻	lder:	

- 3 (1) using the vehicle identification number to conduct 4 a search through a commercial, nationwide motor vehicle 5 information service; and
 - (2) inspecting the vehicle for evidence of the name or address of the owner or state of registration.

If evidence of the state of registration is found, the motor vehicle department of the particular state shall be contacted and requested to perform a record search for the name and address of any owner or lienholder. In lieu of contacting a motor vehicle department, the request for the name and address of any owner or lienholder may be made to any private entity approved by the Secretary of State for this purpose.

(d) The claimant shall send notice by certified mail no less than 30 days prior to the sale to the owner and any lienholder. The notice sent to a lienholder shall be sent certified mail, return receipt requested. The notice sent to the owner shall be sent to the addresses provided in the records search and to any secondary address provided to the claimant by the vehicle owner or customer. The notice shall include the name, address, and telephone number of the claimant, the hours of operation, the total amount owed for labor and materials furnished, the amount claimed for storage, the time and place of the sale, and whether the sale will be a private or public sale. The sale must be held at the business

- (e) In addition to the certified notice required under subsection (d) of this Section, the claimant shall publish one notice of the sale in a newspaper of general circulation in the city, county, village, municipality, or township where the claimant provided services for the vehicle. The notice shall be published no less than 14 days prior to the date and time of the sale and shall set forth:
 - (1) the date, time, and location of the sale;
- 10 (2) the name of the vehicle owner and lienholder and a

 11 description of the vehicle including the vehicle

 12 identification number, make, model, and year of

 13 manufacture;
 - (3) the amount owed; and
 - (4) a statement that, unless the vehicle is redeemed prior to the date of the sale, it will be sold at sale.
 - (f) The owner, customer, or lienholder may redeem the vehicle any time during normal business hours prior to the date of the sale. If the vehicle is not redeemed prior to the sale, the claimant may sell the vehicle at the time and place and in the manner specified in the notice to satisfy the lien amount.
 - (g) After the sale, the purchaser shall apply for a certificate of title, salvage certificate, or junking certificate for the vehicle as required by law. The purchaser shall submit a title application along with the following documentation to the Secretary of State:

1	(1) a detailed, itemized invoice, including labor and
2	parts, as originally prepared by the repairer, rebuilder,
3	or other entity;
4	(2) pictures of the vehicle;
5	(3) an affirmation executed by the purchaser and the
6	claimant on a form promulgated or approved by the Secretary
7	of State;
8	(4) proof of a title record search;
9	(5) proof of certified mail notice to the owner and
10	proof of a signed return receipt from the lienholder or
11	undelivered returned envelope containing the notice
12	addressed to the lienholder;
13	(6) proof of published notice (not required for a
14	junking certificate); and
15	(7) the customer's consent.
16	If the title application contains the required components
17	itemized in this subsection, the Secretary of State shall issue
18	the title within 45 days.
19	(h) Daily storage charges shall not commence earlier than
20	10 days after the customer has relinquished possession of the
21	vehicle to the claimant and shall not exceed the maximum daily
22	storage rate authorized by the Illinois Commerce Commission
23	from time to time under the Illinois Commercial Relocation of
24	Trespassing Vehicles Law.
25	(i) The amounts claimed in the notice provided in
26	subsection (d) shall not be increased or decreased prior to the

- 1 sale, except with the consent of the owner or lienholder of the
- 2 <u>vehicle.</u>
- 3 (j) Nothing in this Section 1.5 in intended to or shall be
- 4 construed to impair of affect the existing rights and
- 5 priorities of any lienholder to have or recover possession of
- 6 any vehicle.
- 7 Section 10. The Labor and Storage Lien (Small Amount) Act
- 8 is amended by changing Section 1 and adding Section 1.5 as
- 9 follows:
- 10 (770 ILCS 50/1) (from Ch. 82, par. 47a)
- 11 Sec. 1. Every person expending labor, services, skill or
- 12 material upon or furnishing storage for any chattel at the
- 13 request of or with the consent of its owner, authorized agent
- of the owner, or lawful possessor thereof, in the amount of
- 15 \$2,000 or less, shall have a lien upon such chattel beginning
- 16 upon the date of commencement of such expenditure of labor,
- 17 services, skill, or materials or furnishing of storage, for the
- 18 contract price for all such expenditure of labor, services,
- 19 skill, or material, until the possession of such chattel is
- 20 voluntarily relinquished to such owner or authorized agent, or
- 21 to one entitled to the possession thereof. The specific process
- for liens on unclaimed motor vehicles for labor, storage, and
- 23 materials under this Act are set forth in Section 1.5 of this
- 24 <u>Act.</u>

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For the purposes of this Act, a person, other than a driver or a person otherwise in control of a fire, police, emergency or public utility vehicle on official business, consents to removal by towing of his or her vehicle when he or she without authorization parks such vehicle upon private property while having notice that unauthorized vehicles will be towed from such property by the owner of such property, or agent thereof, at the vehicle owner's expense, where such notice is provided pursuant to State law, local ordinances or regulation by any state or local agency. Such notice must include a sign of at least 24 inches in height by 36 inches in width posted in a conspicuous place in the affected area at least 4 feet from the ground but not more than 8 feet from the ground. Such sign shall be either illuminated or painted with reflective paint, or both and shall state the amount of towing charges to which the person may be subjected. However, the requirement of the sign provided for in this section shall not apply to residential property which, paying due regard to circumstances and the surrounding area, is clearly reserved or intended exclusively for the use or occupation of residents or their vehicles.

The lien established herein shall also apply to labor, services, skills or material upon or furnishing storage for towed vehicles performed by any relocator or any other towing service pursuant to the order of a law enforcement official or agency in accordance with Sections 4-201 through 4-214 of The

- Illinois Vehicle Code. The lien created herein shall be valid 1
- even though the towing and storage is performed without the 2
- vehicle owner's consent. 3
- 4 (Source: P.A. 85-1283.)
- 5 (770 ILCS 50/1.5 new)
- 6 Sec. 1.5. Lien foreclosure process.
- 7 (a) As used in this Section:
- 8 "Claimant" means the person or entity furnishing labor or
- 9 materials upon or storage for a motor vehicle.
- 10 "Consent" means authorization by a customer by the means of
- a Signature Consent Form, Electronic Consent Form, or Oral 11
- 12 Consent Form.
- 13 "Customer" means the person or entity which relinquished
- 14 the vehicle to the claimant for repair or storage.
- 15 "Electronic Consent Form" means an electronic
- authorization between customer and claimant authorizing the 16
- 17 repairs or storage.
- "Lienholder" means the person or entity listed as such on 18
- 19 the vehicle certificate of title.
- "Oral Consent Form" means: if the customer's authorization 20
- is oral, the claimant shall note, on both the written estimate 21
- or firm price quotation and the invoice, the name of the person 22
- 23 authorizing the repairs, the date, the time, and the telephone
- 24 number called, if any; any charge for parts of labor in excess
- 25 of the original estimate must be separately authorized by the

1	customer.	

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- "Owner" means the person or entity listed on the vehicle 2 3 certificate of title.
- 4 "Signature Consent Form" means an authorization form 5 signed by the customer and the claimant authorizing the repairs 6 or storage.
 - (b) If a vehicle is not redeemed by the customer within 60 days after completion of the requested services or after the date agreed upon by the parties, whichever is later, the claimant may begin to foreclose the mechanic's lien provided hereby by a commercially reasonable public or private sale of the motor vehicle. If no repairs were made, the claimant may foreclose a lien for storage services 30 days after the claimant provided an estimate to the owner or customer, and in any case within 45 days thereafter.
 - (c) The sale of the vehicle shall occur only after providing notice to the lienholder and owner of the time and place of the sale. The claimant shall request the title records of the vehicle from the Secretary of State at which time the Secretary of State Shall also run a LEADS search to determine if the vehicle was reported stolen. If the Secretary of State cannot provide ownership information, the following means shall be used to identify the owner and lienholder:
- 24 (1) using the vehicle identification number to conduct 25 a search through a commercial, nationwide motor vehicle 26 information service; and

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(2) inspecting the vehicle for evidence of the name or 1 2 address of the owner or state of registration.

If evidence of the state of registration is found, the motor vehicle department of the particular state shall be contacted and requested to perform a record search for the name and address of any owner or lienholder. In lieu of contacting a motor vehicle department, the request for the name and address of any owner or lienholder may be made to any private entity approved by the Secretary of State for this purpose.

- (d) The claimant shall send notice by certified mail no less than 30 days prior to the sale to the owner and any lienholder. The notice sent to a lienholder shall be sent certified mail, return receipt requested. The notice sent to the owner shall be sent to the addresses provided in the records search and to any secondary address provided to the claimant by the vehicle owner or customer. The notice shall include the name, address, and telephone number of the claimant, the hours of operation, the total amount owed for labor and materials furnished, the amount claimed for storage, the time and place of the sale, and whether the sale will be a private or public sale. The sale must be held at the business location of the claimant.
- (e) In addition to the certified notice required under subsection (d) of this Section, the claimant shall publish one notice of the sale in a <u>newspaper of general circulation in the</u> city, county, village, municipality, or township where the

1	claimant provided services for the vehicle. The notice shall be
2	published no less than 14 days prior to the date and time of
3	the sale and shall set forth:
4	(1) the date, time, and location of the sale;
5	(2) the name of the vehicle owner and lienholder and a
6	description of the vehicle including the vehicle
7	identification number, make, model, and year of
8	manufacture;
9	(3) the amount owed; and
10	(4) a statement that, unless the vehicle is redeemed
11	prior to the date of the sale, it will be sold at sale.
12	(f) The owner, customer, or lienholder may redeem the
13	vehicle any time during normal business hours prior to the date
14	of the sale. If the vehicle is not redeemed prior to the sale,
15	the claimant may sell the vehicle at the time and place and in
16	the manner specified in the notice to satisfy the lien amount.
17	(g) After the sale, the purchaser shall apply for a
18	certificate of title, salvage certificate, or junking
19	certificate for the vehicle as required by law. The purchaser
20	shall submit a title application along with the following
21	documentation to the Secretary of State:
22	(1) a detailed, itemized invoice, including labor and
23	parts, as originally prepared by the repairer, rebuilder,
24	or other entity;
25	(2) pictures of the vehicle;
26	(3) an affirmation executed by the purchaser and the

1	claimant on a form promulgated or approved by the Secretary
2	of State;
3	(4) proof of a title record search;
4	(5) proof of certified mail notice to the owner and
5	proof of a signed return receipt from the lienholder or
6	undelivered returned envelope containing the notice
7	addressed to the lienholder;
8	(6) proof of published notice (not required for a
9	junking certificate); and
10	(7) the customer's consent.
11	If the title application contains the required components
12	itemized in this subsection, the Secretary of State shall issue
13	the title within 45 days.
14	(h) Daily storage charges shall not commence earlier than
15	10 days after the customer has relinquished possession of the
16	vehicle to the claimant and shall not exceed the maximum daily
17	storage rate authorized by the Illinois Commerce Commission
18	from time to time under the Illinois Commercial Relocation of
19	Trespassing Vehicles Law.
20	(i) The amounts claimed in the notice provided in
21	subsection (d) shall not be increased or decreased prior to the
22	sale, except with the consent of the owner or lienholder of the
23	vehicle.
24	(j) Nothing in this Section 1.5 in intended to or shall be
25	construed to impair of affect the existing rights and
26	priorities of any lienholder to have or recover possession of

1 any vehicle.".